Fufeng Group Limited
阜豐集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 546)

POSITIVE PROFIT ALERT FOR THE YEAR ENDED 31 DECEMBER 2016

This announcement is made by Fufeng Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") in accordance with Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the "**Securities and Futures Ordinance**") concerning disclosure of inside information and Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

Based on the currently available information, the board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that the Group is expected to record a significant increase of over 80% in its consolidated profit attributable to the Shareholders (the "**Net Profit**") of the Company for the year ended 31 December 2016 as compared to that for the year ended 31 December 2015.

The Board believes that the increase in the Net Profit for the year ended 31 December 2016 was mainly attributable to the following principal factors:

1) MSG industry consolidation gradually affected the improvement in business environment coupled with prices of corn kernel decreased during the year which led to decrease in production costs and increase in the gross profit margin of its key products;

2) Increase in production capacity for products such as MSG, threonine and high-end amino acid; and

3) The Group also managed to undertake technological upgrade for its production processes which contributed to improvement in production efficiency and cost structure.

In addition, the Net Profit also included one-off other income, which included government grants, recognition on disposal of two subsidiaries which held two plots of land located at Longshan Road (Northern Section) Junan County, Shandong Province, in August 2016 as set out in the announcement dated 22 August 2016 by the Company.

This positive profit alert announcement is based on a preliminary review of the currently available information.

The Company is still in the process of finalising the consolidated results of the Group for the year ended 31 December 2016. This positive profit alert announcement is only an assessment by the Board based on the preliminary review of the currently available information, which has not been reviewed or audited by the Company's auditors. Shareholders and potential investors are advised to read carefully the announcement of the Company in relation to the consolidated results of the Group for the year ended 31 December 2016, which is expected to be released in March 2017.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Fufeng Group Limited
Li Xuechun
Chairman

Shandong, the PRC
6 February 2017

As at the date of this announcement, the executive directors of the Company are Mr. Li Xuechun, Mr. Xu Guohua, Mr. Li Deheng, and Mr. Li Guangyu and the independent non-executive directors of the Company are Mr. Sun Yu Guo, Mr Qi Qing Zhong and Ms. Zheng Yu.